



Savlon®

***Identifying the brand re-positioning strategies
of Savlon Active Antiseptic Soap in
Bangladesh***

Internship report on
***Identifying the brand re-positioning strategies of Savlon
Active Antiseptic Soap in Bangladesh***

Submitted to:
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Letter of Transmittal

3rd October, 2013

To

Ms. Afsana Akhtar

Assistant Professor

BRAC Business School

BRAC University

Subject: Submission of Internship Report on “Identifying the Brand Re-Positioning Strategies of Savlon Active Antiseptic Soap in Bangladesh”.

Dear Madam,

It is a matter of great pleasure for me to present you my project report, entitled “Identifying the Brand Re-Positioning Strategies of Savlon Active Antiseptic Soap in Bangladesh”.

I would like to thank you for giving me the opportunity to work on such a project. By doing this project, I have gained valuable knowledge and insight on the Soap-Bar market in Bangladesh, gained insight on the factors affecting the purchase pattern, and learned SPSS analysis & understanding the real life scenarios.

I sincerely hope that this report meets your approval and demonstrate my ability to present term papers. I would be glad to endow you with any clarification if required.

Sincerely,

Samia Jasim

ID: 09104041

BRAC Business School

Declaration Statement

The following paper contains all valid information about the mentioned organization, and has been done with absolute honesty and integrity. I also declare that the paper contains no trace of plagiarism. However, a few lines have been included that are not directly my views, opinions, and beliefs; the lines have been sincerely acknowledged to the quotes.

Samia Jasim

ID: 09104041

Acknowledgement

Most importantly I would like to express my gratitude to Almighty Allah for who enabled me to complete the report in due time.

I would like to express my sincere gratitude to Ms. AfsanaAkhtar, Assistant Professor; BRAC Business School, BRAC University for providing me with detailed feedback and advice on this report. She always gave me suggestions in order to make this study as flawless as possible.

My most sincere gratitude goes to my internship supervisor at ACI Ltd Mr. IftekharArshad, Senior Product Executive, Consumer Brands for providing all the support in the organization. His guidance and co-operation during the research & analysis helped me to get a more hands-on experience. Moreover, he has provided me with the information regarding each and every rules, regulation and operational activity of ACI Ltd. Consumer Brands.

I have also thoroughly enjoyed while working on the project report and hope the project is appreciated.

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Executive Summary

For last few years parents are more concern about their children's health and protection from the germs due to increased pollution in the environment. Taking the advantage of the consumers' demands, some brands have come to action with antibacterial soaps, promising the complete protection against germs. Savlon, a well-known global brand of Antiseptic has a range of antibacterial Soap bars, currently doing business in the Bangladesh soap market. But there are some other established brands in the market that are not allowing them to conquer Savlon's target market. This internship report is aimed to identify the scopes of making new marketing strategies to complete the rivals and capture the market for Savlon Antiseptic Soap Bar.

The paper is introduced with the description ACI Ltd. where I completed my 4 month internship program, starting from May 19th 2012 till September 18th 2013. The paper analyzes their organizational structure and major functions with descriptions of their business activities. Their strategies, goals, objectives, strengths, and weaknesses have also been identified.

In the later part of the report I have concentrated on my topic entitled "Identifying the Brand Re-Positioning Strategies of Savlon Active Antiseptic Soap in Bangladesh".

This part was completed using primary and secondary data and its analysis. Using the collected data and analyzing them I have concluded my research results followed with set of recommendations for ACI Ltd.

I have tried my best to come up with the valid explanations for the results and useful recommendation. However, due to lack of sufficient practical experience regarding such Statistical analysis, the recommendation may not be the very best.



Chapter: 01

Organizational Overview: ACI Limited

1.0. ACI Historical Background:

ACI was established as the subsidiary of Imperial Chemical Industries (ICI) in the then East Pakistan in 1968. After independence the company has been incorporated in Bangladesh on the 24th of January 1973 as ICI Bangladesh Manufacturers Limited and also as Public Limited Company.

This Company also obtained listing with Dhaka Stock Exchange on 28 December, 1976 and its first trading of shares took place on 9 March, 1994. Later on 5 May, 1992, ICI plc. Divested 70% of its shareholding to local management. Subsequently the company was registered in the name of Advanced Chemical Industries Limited. Listing with Chittagong Stock Exchange was made on 22 October 1995.

Advanced Chemical Industries (ACI) Limited is one of the leading conglomerates in Bangladesh, with a multinational heritage. The company has diversified into three major Strategic Business Units (SBU's), which are, Healthcare, Consumer Brands and Agribusiness

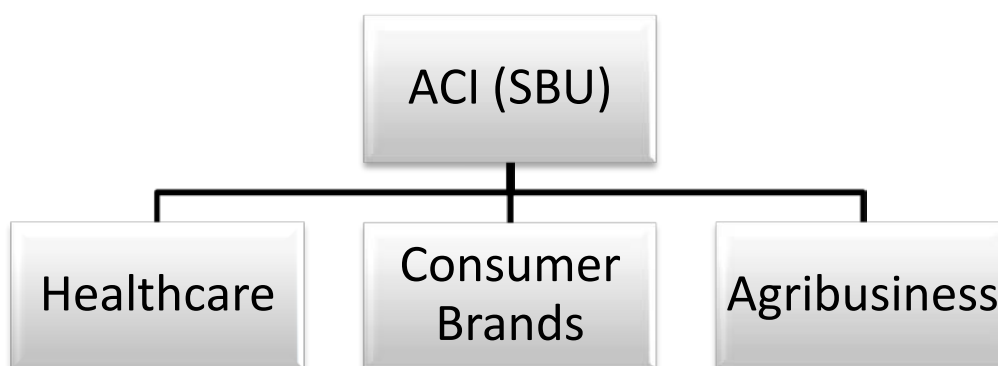


Figure: ACI (SBU)

1.1. Management Committee and Directors:

1.1.1. Management Committee:

Mr. M Anis Ud Dowla	Chairman
Mr. Arif Dowla	Managing Director
Mrs. Najma Dowla	Director
Mr. Waliur Rahman Bhuiyan OBE	Director
Mr. Md. Fayekuzzaman	Director
Mr. Golam Mainuddin	Director
Ms. Shusmita Anis Salam	Director
Ms. Sheema Abed Rahman	Director
Mr. Wajed Salam	Director
Mr. Waliur Rahman	Director
Mr. M Anis Ud Dowla	Chairman
Mr. Arif Dowla	Managing Director

1.1.2. Board of Directors:

Mr. M Anis Ud Dowla	Chairman
Mr. Arif Dowla	Managing Director
Mrs. Najma Dowla	Director
Mr. Waliur Rahman Bhuiyan OBE	Director
Mr. Md. Fayekuzzaman	Director
Mr. Golam Mainuddin	Director
Ms. Shusmita Anis Salam	Director
Ms. Sheema Abed Rahman	Director
Mr. Wajed Salam	Director
Mr. Waliur Rahman	Director



1.2. Company Mission:

ACI's mission is to enrich the quality of life of people through responsible application of knowledge, skills and technology. ACI is committed to the pursuit of excellence through world-class products, innovative processes and empowered employees to provide the highest level of satisfaction to its customers.

1.3. Company Vision:

To realize the mission ACI will:

- a) Endeavor to attain a position of leadership in each category of its businesses.
- b) Attain a high level of productivity in all its operations through effective and efficient use of resources, adoption of appropriate technology and alignment with our core competencies.
- c) Develop its employees by encouraging empowerment and rewarding innovation.
- d) Promote an environment for learning and personal growth of its employees.
- e) Provide products and services of high and consistent quality, ensuring value for money to its customers.
- f) Encourage and assist in the qualitative improvement of the services of its suppliers and distributors.
- g) Establish harmonious relationship with the community and promote greater environmental responsibility within its sphere of influence.

1.4. Company Values:

- Quality
- Customer Focus
- Fairness
- Transparency
- Continuous Improvement
- Innovation

1.5. Company Policies:

ACI has strong Quality Policy, Environmental Policy and Global Compact Endorsement.

1.6. Business Units:

1.6.1. Strategic Business Units (SBU's):

1.6.1.1. Pharmaceuticals

1.6.1.2. Consumer Brands & Commodity Products:

- i) Household Insecticides
- ii) Antiseptic & Personal Care
- iii) Home Care
- iv) Female Hygiene
- v) Commodity Foods
- vi) ACI Consumer Electronics
- vii) ACI Electrical Division

1.6.1.3. Agribusiness:

- i) Crop Care Public Health
- ii) Livestock & Fisheries
- iii) Fertilizer
- iv) Cropex
- v) Seeds
- vi) Motors

1.6.2. Subsidiaries:

- i) ACI Formulations Limited
- ii) Apex Leather Crafts Limited
- iii) ACI Salt Limited
- iv) ACI Pure Flour Limited
- v) ACI Foods Limited
- vi) Premiaflex Plastics Limited
- vii) Creative Communication Ltd.



- viii) ACI Motors Limited
- ix) ACI Logistics Limited
- x) ACI Godrej Agrovat Private Ltd.
- xi) Tetley ACI (Bangladesh) Ltd.
- xii) Asian Consumer Care (Pvt.) Ltd.
- xiii) ACI Consumer Electronics

1.6.3. Joint Ventures:

- i) ACI Godrej Agrovat Private Limited
- ii) Tetley ACI (Bangladesh) Limited
- iii) Asian Consumer Care (Private) Limited

1.7. Fundamental Departments of ACI:

- Administration department
- Finance and planning
- Commercial department
- MIS department
- Distribution department
- Training department
- HR department

1.8. Organogram of CB (Consumer Brands):

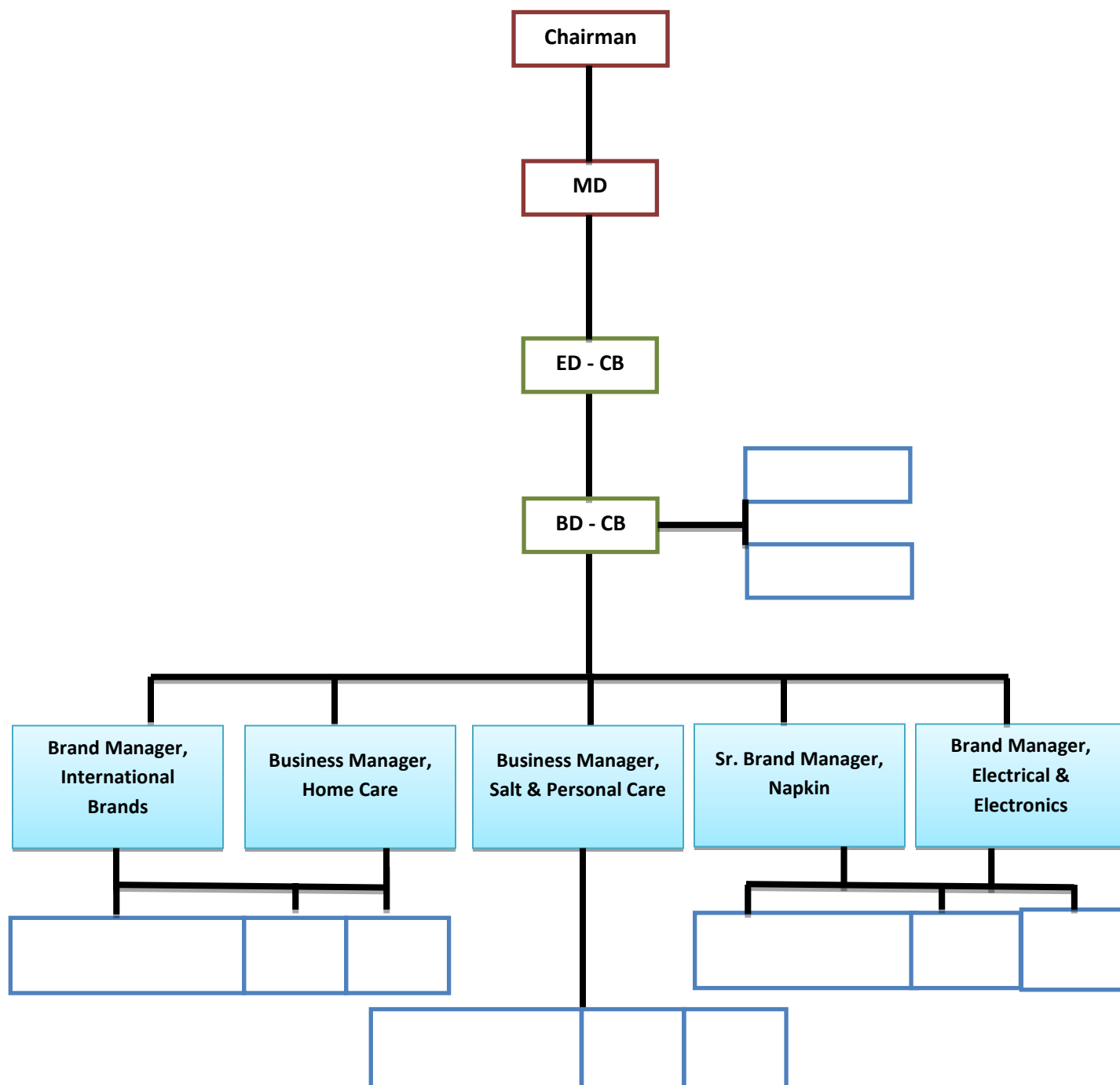


Figure: Organogram of CB (Consumer Brands)

1.9 ACI Limited's SWOT Analysis

SWOT is the short form for Strengths, Weaknesses, Opportunities and Threats. It is an analytical tool to help summarize in a quick and concise way the risk and opportunities for any Corporation across the value chain.

- Factors pertaining to the internal environment of the company. These are usually expressed as Strengths (S) or Weaknesses (W)
- Factors that pertaining to the external environment of the company. These are expressed as Opportunities (O) or Threats (T).

Strength	Weakness
<ul style="list-style-type: none"> ▪ ACI is considered as countries' one of the leading conglomerates because of its performance. ▪ Efficient, capable and honest workforce ▪ ACI has intense demand of their product which helps them to inflate their business ▪ Considerable financial resources to grow the business ▪ Proprietary technology and importance patents ▪ Ability to take advantage of economies of scale ▪ Better product quality relative to rivals ▪ Goodwill of the company ▪ Different SBU's help them to diversify their risk 	<ul style="list-style-type: none"> ▪ Higher unit cost relative to key competitors ▪ Group compliance due to group policy the company has to import raw materials from neighbor countries (other than those which are produces locally) resulting in higher cost of production. ▪ Low pack size ▪ Lack of sufficient promotional effort. ▪ ACI has weaker distribution network and sales force are relatively low compare to competitors.
Opportunities	Threats
<ul style="list-style-type: none"> ▪ ACI as a local conglomerate has opportunity for expand its investment and has potential growth in Bangladeshi market. ▪ Expanding the company's product line to meet a broader range of customer needs. ▪ Target and acquire an untapped marketing for vaccines ▪ Market is significantly large and growing ▪ Proper utilization of vaccines may result in higher profit. ▪ High confidence brand name and quality 	<ul style="list-style-type: none"> ▪ Aggressive movement of rivals ▪ Slowdown in market growth ▪ Growing bargaining power of the end consumers. ▪ Costly new regulatory requirements ▪ Competitors lower prices ▪ Increasing threats from local competitors.



Chapter 2

Job Description



In order to complete my graduation from BRAC University, I have done my internship in ACI Limited; Consumer brands (CB Core). I was assigned to assist Mr. Iftekar Arshad, Senior Product Executive to maintaining and capturing the market position of Savlon antiseptic soaps. Although it was my main assigned work but I had to do other works as well.

It was really a great opportunity to work as an intern in a well reputed and most large local conglomerate in Bangladesh. I worked there for 3 months under the Consumer Brands-Salt Division. My main supervisor was the senior product executive of Savlon Antiseptic Soap Bar, Mr. Iftekar Arshad. Working in Marketing Department really gave me lots of experience about practical job life and also improved my skills a lot. For this reason, I will be always grateful to Mr. Iftekar Arshad because he guided me always in the right track thus I can fulfill the tasks in proper manner.

Experience Gained from ACI Consumer Brands:

I had experience of conducting a survey of 300 people of different age group and different occupation background to find out the consumer insight for antibacterial soap.

Learnt some corporate and real life marketing activities; such as for Savlon antiseptic soap, I found out the target consumer, what are the demand and preference of the consumers, initiating marketing strategies for boosting the sales growth.

I also learnt what are the papers needed to make a trade license in BSTI, Steps involved and managing papers for making a trade license.

I went for several Market visits that include observing the market for soap, presence of competitors in the market, what are the current trade offers available for the retailers. The main objectives of my market visits were to find out if the retailers were happy with the current trade offers and the sales frequency of Savlon antiseptic soaps.

I learnt how to write a creative brief for packaging to the agency.

Beside my regular duties, I have also done some surveys for new fragrance of air freshener on behalf of the Product Executive of Angelic Air Freshener.



Critical Observation & Recommendation:

These three months of working in a corporate office provided me an excellent experience of a Friendly environment for working, business big shots are there to show you paths, supervising them. The Ex-Business Director Mr. Ashraf Bin Taj and Executive Director are protecting and guiding the employees and the company like their own children. There is lot to learn from them.

Within the 3months' experience in ACI Consumer Brands, I have found that the organization is very organized at accomplishing the tasks, it is very much focused at doing fair business and the corporate environment is really safe and friendly. All the employees here try to maintain integrity in their every task. All the departments are here properly co-ordinated which fosters the organizational performance a lot. Here the importance of human asset is truly realized and all the employees are believed as the heart of the organization and that's why the employees work here with true motivation and sincerity.

As I was the part of Savlon antiseptic soap which is a section of Savlon Antiseptic Brand, I have found that executives of these two Brands are very much knowledgeable and skilled and very efficiently they plan and implement the marketing strategies. They are also much aware about utilizing the resources and not to waste the assets of the organization unnecessarily.

I have observed and felt that ACI Consumer Brands is doing excellent job, one thing that appeared surprising to me is in spite being so efficient at operations and having so much qualified products, Savlon antiseptic soaps is in 3rd position. So, ACI should take strong initiatives thus they can improve their rank and can lag behind the competitors.

So, my recommendations are:

ACI should concentrate more on promotional activities and making people more aware about their company profile and products thus a strong brand image can be established.

- Like the other Consumer Brands products, the Savlon Soap products should be engaged in famous public events.
- They should be more concerned on distribution and market expansion.



Chapter 3

PROJECT PART



ACI Consumer Brands has different SBUs currently running successfully throughout the country. Savlon offers Antiseptic Soap, Antiseptic Hand Wash and Shower Gel in its Personal Care Range.

Savlon antiseptic soap has three different variants - Active, Mild and Fresh Antiseptic soap. Savlon antiseptic soap offers a delightful bathing experience to its consumers. Savlon soap range ensures a complete germ protection for all the members of a family. Savlon antiseptic soaps are available in pack size of 75 gm. and 100 gm. of each variant.

Among the three variances our concerned product is Savlon Active Antiseptic Soap, designed for those who leads active life style and always prefer strong protection against germs.

3.1 Problem Statement:

The sales growth of Savlon Active Soap is not the same as compared to other two variance of Savlon antiseptic soap. The sales growth of Savlon mild and fresh soap is up to the mark. But Savlon Active Soap sales growth is truncating. Because of the aggressive marketing strategies of their close competitor Dettol antiseptic soap bar ranges, they have become the market leader in the health soap bar category; their soap categories are quite similar to the Savlon soap bar ranges. Dettol original soap is similar to Savlon Active Soap. So Savlon Active is having a tough competition to capture and hold their consumer. The soap itself is a low involvement product so majority of the consumers do not judge before buying soaps, they take whatever the seller give them.

The purpose of this internship report is to identify new and potential scope of growth of Savlon Active Soap in Bangladesh. ACI Ltd being the authorized marketer of this Soap in Bangladesh, they are likely to use research findings to analyze every opportunity to compete with their rivals and boost their sales and capture all possible segments of antiseptic soap uses in Bangladesh.

I) Objectives:

Broad objective:

The main objective of my report is to find out ways to suggest new marketing strategies to ensure the further growth of Savlon Active Antiseptic Soap in Bangladesh.

Specific objectives:

- Identifying the consumer preference about the antiseptic soap
- Market potentials for Savlon Active Soap
- To suggest ACI Ltd in enhancing the sales and increasing the communication with the consumers about Savlon Active Soap.

II) Significance of the Study:

This research is particularly important for ACI, as it will help the company to identify the flaws in their practice of marketing their antiseptic soap to the target consumers. This research will help the company to find out the consumer preference about the antiseptic soap features from the competitor brand's antiseptic soap. This report is a way of suggesting the organization to re-position their product in the current market and establish a visible presence of Savlon Active Soap in the market.

III) Methodology:

The report will involve the following set of data collection and analyzing procedure:

i) Primary Data:

Under the primary data collection, I took information from marketing principal books; I have used pre-prepared Questionnaires to conduct a consumer survey. The survey was done within a number of 300 samples. I have also interviewed the respondents to collect the qualitative data.

ii) Secondary Data:

For collecting the secondary data I used some related journals, related websites and some Previous works of others to get ideas.

I. Limitation of the Study:

There are some limitations in the study. Some of the limitations are as follows:

- Time constrains: I had to make this report along with the job responsibilities of my internship. For that reason there was a time constrain for me.
- Collecting the information from the targeted population, some of the Sample population of the study were not willing to respond

3.2. Industry Overview:

Bangladesh soap bar market has two major categories of soap bars, Bathing Soap and Laundry Soap. There are two different segment of Bathing Soap, “Health soap” and ‘Beauty soap’. In the current market situation, Beauty Soap has gained the majority of the market share and enjoying the market leadership with 80% of total market shares. While the Health Soap or the Antibacterial Soaps are still lagged behind with only 20% of total market shares. Under health soap segment in existing situation, there are three prominent brands in the market which are Lifebuoy, Savlon and Dettol. Lifebuoy soap has gained the leading position in the market with majority of total market share of health soap bar category where Dettol is in the second position. These two brands have put our brand in the third position in the market. Savlon, an international brand from Jonson & Jonson for which ACI is doing marketing activities locally as a separate, individual entity. They have their slogan for Savlon antibacterial soap bars of “*everyday protection from germs*”. Though health soap bars are playing for a long time in the market, but it is seen that only for past few years antibacterial soaps are generally accepted.

3.3. Competitor Analysis:

The main competitor for Savlon antiseptic soap is Dettol Antiseptic Soap by Reckitt Benckiser. Dettol is the world leader in antiseptics bought for use at home. It is marketed in 37 countries.

Dettol is the trade name for a line of hygiene products manufactured by Reckitt Benckiser. The brand started its journey in 1933 as antiseptic liquid, but over the years, it has been extended to a number of product categories like soaps, liquid Hand wash, liquid Body wash, shaving Cream and plaster strips. Currently Dettol has its different variants available in the market. Original Soap, Skincare Soap, Cool Soap & Re-Energize Soap are the running variants of Dettol soap range.

Savlon Active Soap's main and dominant competitor is the Dettol original soap. New and Improved Dettol Original Soap is specially formulated for everyday use. Dettol Original Soap is 10 times better at fighting germs compared to ordinary soaps. So give Dettol's trusted protection to the entire family.

Some recent marketing strategies of Dettol soap in Bangladesh

- 'Dettol My Mom My Hero Contest': The participants had submitted photos and shared their stories to the theme "Most Memorable Moment with My Mom, My Hero". On behalf of Reckitt Benckiser (BD) Ltd. Market Director Mahbub Baset, Product Group Manager Faria Yasmin, Assistant Brand Manager Sajuti Saleque and Digital Marketing Executive Sabriya Tasneem were present to give away the prizes.
- Dettol Shera Ami Shonge Ma: First ever reality show pairing mother & child. Reckitt Benckiser Bangladesh and RTV one of the most popular C&S channels of Bangladesh jointly created unique platform called "Dettol Shera Ami Shonge Ma" where mothers and kids will explore their talents to be the country's best mom and child pair. They will be selected and honored through many interesting games & performance.
- Besides the sponsored reality shows, Dettol provide their retailer some lucrative trade offers. For example: 2 soaps are free for the retailers for ordering 12 soaps,
- They also give some offers for the consumers such as; they get 1 soap free for buying 2 packets of soap.

3.4. Marketing Mix of Savlon Active Soap:

3.4.1. Product:

3.4.1.1. Product Attributes:

A. Product Differentiation:

Savlon Active Soap is an antibacterial soap which is produced from finest quality ingredients that makes it only among the very few Grade 1 (TFM > 78%) bar soap in the market. The soap has antibacterial agent which ensures strongest possible protection against harmful germs and bacteria thus providing safety from skin infections and diseases spread through bacteria. Savlon is an international brand from Jonson & Jonson from UK. But in Bangladesh ACI are the sole distributor and producer of Savlon products. Savlon Active Soap is manufactured by Hauq and Company and Silver soap limited on behalf of ACI.

B. Product Classification:

As a product, Savlon Active Soap can be classified in 3 levels: if you view a product on three levels it will help you extract all the benefits that your product offers.

- **Core Benefit:** the fundamental level. Benefit or the service that the consumer is really buying. For Savlon Active Soap, the core benefit is **Cleansing with germ protection.**
- **Actual Product:** the tangible and physical benefit of the product. For Savlon active soap, the actual product is the **Germ Killing Property, The Quality And Packaging**
- **Augmented Product:** deciding the additional non tangible benefits that a product can offer. For Savlon Active Soap the augmented product is: the brand value of Savlon antiseptic brand. **The Heritage of the Savlon Brand in the Consumer Mind** is the augmented product for Savlon Active Soap.

Marketers have traditionally classified products on the basis of Durability, Tangibility and Use.

Product can be classified according to their durability and tangibility. The Savlon Active Soap as a product can be classified as Nondurable Product, because it is a Tangible product and Consumed Frequently for few uses.

Consumer goods are products which are purchased for personal consumption. Consumer goods are classified into three areas: Convenience Goods, Shopping Goods and Specialty Goods. If it is classified in consumer goods, Savlon active is a Convenience Good, because it is purchased immediately and with minimum effort. It is consumed recurrently for modest uses. It is also an Impulsive product as consumer concern is less. It is also a Staple Good. Because whenever the stock is about to end the consumer buys Soaps again.

Branding:

The product contains the brand name of Savlon Antiseptic. And the slogan of the brand is: complete family protection. And the Savlon Antiseptic Soap bar has its slogan that: everyday protection from germs.

Packaging and Labeling:

The packaging of Savlon soap has a major role in its promotional activity. As it is an impulse product, people will buy it for its packaging. And the labeling in the package provides information regarding: Company Logo, Brand & Product Name, and Brand Mnemonic & Logo in the front side. And Product descriptor, Branding information, Product name, Product descriptor, Description of procedure of use, Warning against contact, Declaration of Price, Use of Product, Manufacturer and Marketer's name, Barcode, Legal copy, trademark, etc., Best before/date coding, Weight declaration/quantity.

The packaging of Savlon Active Soap:



Figure: Savlon Active Antiseptic Soap Packaging



3.4.2. Price:

For pricing of Savlon Active Soap, they follow the market leader. Dettol is the market leader of antiseptic soap market. For each 125 gm. Soap Dettol charges tk.35, and following the leader, Savlon charges tk. 34 for each 100 gm. of Savlon Active Soap.

Product Line Pricing: Savlon active uses product line pricing. Product line pricing is when management must decide on the price steps to set between the various products in a line. Savlon Active 75gm Is Charged BDT 27, 100gm Is Charged BDT 34.

Mark up pricing: ACI calculates the cost of producing the soap and adds on a markup (profit) to that price to give the selling price. Savlon Active Soap has the following costs and sales expectations:

Variable cost per unit:	BDT 15
Fixed costs	BDT 1220,000
Expected units sales	100,000

The ACI's unit cost is given by:

$$\text{Unit cost} = \text{variable cost} + \frac{\text{fixed cost}}{\text{unit sales}} = \text{BDT}15 + \frac{\text{BDT } 1220,000}{100,000} = \text{BDT } 27.20$$

Now ACI wants to earn a 20% markup on sales. So the markup price is given by:

$$\text{Markup price} = \frac{\text{unit cost}}{(1 - \text{desired return on sales})} = \frac{\text{BDT } 27.20}{(1 - 0.2)} = \text{BDT } 34$$

3.4.3. Promotion:

Savlon Active Soap does not have any recent TV commercial or any kind of sales promotion. For past few years ACI is doing BTL (Bellow the Line) promotions. They don't advertise their products to the end consumers; rather they are doing promotional activities for the customers. Retailers are offered various trade offers and commissions. The target is that, soap is a moderate to low involvement product. Very few people think much for buying soap, in major cases people in this situation purchase what sellers give them. They only ask for soap, and the sales people puts on their basket. So it is important to do the BTL promotion for Savlon Active Soap.

3.4.4. Place:

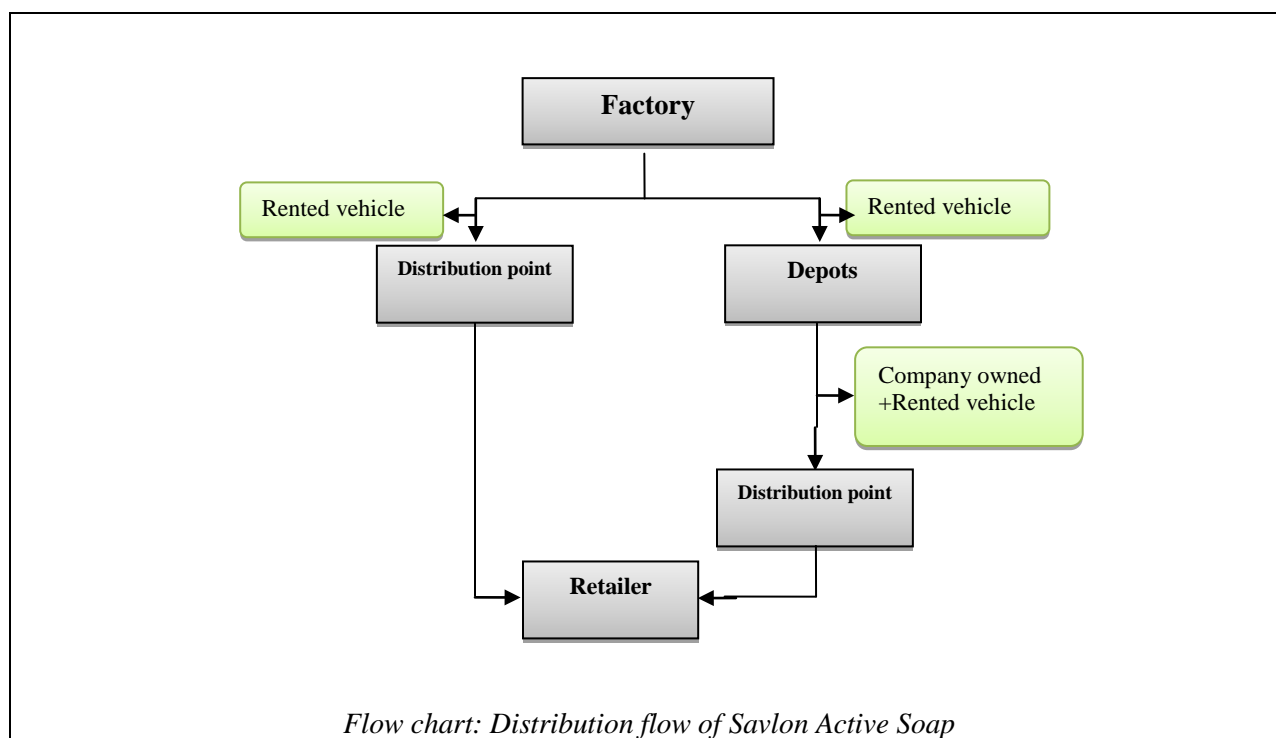
Savlon antiseptic soap has a distribution channel throughout the country. Savlon soap has their distribution points in almost every district. And every regional distribution point has their sub depots through which soaps are distributed to the retailers of the nearby areas.

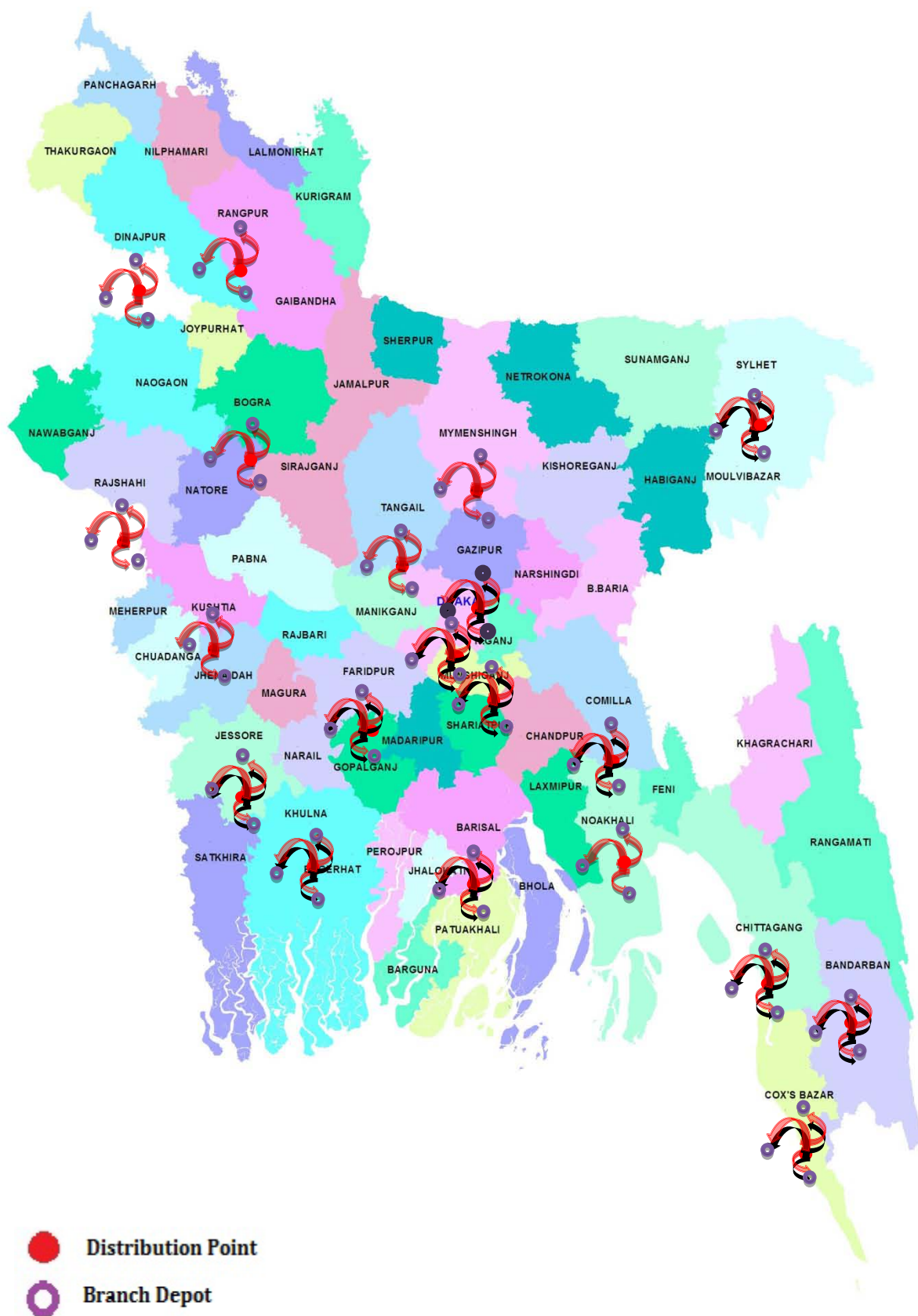
Regional Distribution points are: Dinajpur, Rangpur, Bogra, Rajshahi, Maymensingh, Tangail, Gazipur, Dhaka, Narayangang, Comilla, Kustia, Faridpur, Jossore, Khulna, Maijdi, Sreemangal, Sylhet, Chittagong, Bandarban, Cox's Bazar,

The soaps are first manufactured in the factory, from factory half of the products are sent directly to the distribution points to the retailers through some rented vehicles and half of the products are sent to the depots and then to the distribution points and then to the retailers. This process is done through some rented vehicles and some company owned vehicles.

The distribution flow is shown by a flow chart below. And the distribution channel is shown by a map below:

Distribution flow:





3.5. SWOT Analysis of Savlon Active Soap:

Savlon Active Soap is a high potential product for the current antiseptic soap market. There are some few players in the market but the competitors are very strong. Dettol has captured the targeted market with their strong marketing and communication strategies. But Savlon active still have a potential scope of capturing the market. Because the market is not fully saturated.

In this existing market Savlon Active Soap has some strengths, weakness, opportunities and threats such as:

Strengths:

Savlon active is an antibacterial soap which is produced from finest quality ingredients that makes it only among the very few Grade 1 (TFM > 78%) bar soap in the market.

And it has the brand name of Savlon, which is well known for protecting and fighting against germs for years.

Weaknesses:

For last few years, Savlon active has no direct marketing activities towards its targeted consumers. They used to place advertisements in several magazines and business papers. But currently they are not doing any consumer targeted sales promotion rather they are doing BTL promotions. If they do not communicate with the end consumers sale volume will not raise.

Opportunities:

Savlon active have a potential scope of capturing the market. Because it's been only few years that mass people have accepted and started to use antiseptic soap bars for their regular use. People are becoming more health conscious because of the increasing pollution. Mothers are concerned about their kid's hygiene. So heath soap market has a potential growth opportunity in near future as the market is not fully saturated.

Bangladesh has a huge number of populations. Not half of the people in this country are aware about Savlon Active Soap. So if Savlon could educate and let people know about its existence sales may increase.

Threats:

Dettol is the market leader of antiseptic soap. It is a Strong competition for Savlon antiseptic soap. Dettol with its strong marketing skills has captured the maximum number of consumers. Fighting with Dettol original soap is a great threat. There are more and more new products are coming in the market. Hand wash is the substitute for soap bar. Hand wash products convey more cleanliness and germfree perception towards the consumers.

Soap is a Convenience product. So if people are not aware of the Savlon Active Soap, it is hard to create a customer loyalty towards the brand.

Here is a graphical representation of SOWT analysis of Savlon Active Soap:



3.6. Understanding the Consumers:

A consumer survey on the mass (general) people was conducted to measure the attitude towards the Savlon active and Dettol original soap. The majority of the people find Dettol original soap was more preferable to use. The report concludes with the view that 57% of the respondents wishes to see TV ads for Savlon Active Soap and recommends that to increase the popularity of the soap.

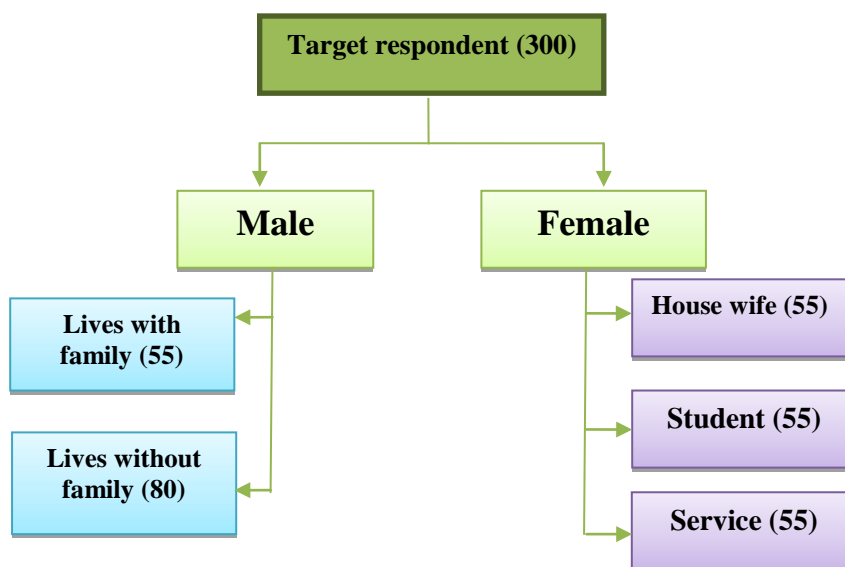
For past few years, the sale of Savlon Active Soap bar's sales is down in the market. On the other hand the competitor Dettol original was selling their product on potency. Both the Savlon active and Dettol original soap having the similar properties Savlon active is less popular among the consumers. To find out the difference among the sale volume reason, we conducted a consumer survey with a questionnaire and 5 types of consumer groups as respondent.

Time:

It took two weeks of time period and information was collected randomly. No personal information was provided and the survey was voluntary.

3.6.1. Methodology of the Consumer Survey:

This research was conducted by a pre-prepared questionnaire and investigated the mass people around the city. A total number of 300 questionnaires were distributed among the people. The respondents were categorized by the following attributes.



3.6.2. Results:

Respondents were asked the questions personally and filled by the assessor. Some were filled voluntarily by the respondents. It seems that both the soaps are quit similarly popular and used by the consumer groups. The questionnaire was prepared to directly compare between the features of the soaps. Respondents were asked to choose a soap they like according to the features.

Following are some main features that respondents were asked to select:

Among 300 participants, 41% uses Savlon Active Soap, 46% uses Dettol original and the rest uses other antiseptic soap brads.

Features	Dettol	Savlon
a. Freshness	52%	48%
b. Fragrance	44%	56%
c. Skin care	49%	51%
d. Hygiene	60%	40%
e. Product packaging	69%	31%
f. Popularity of the brand	70%	30%
g. Medical perception	59%	41%
h. Product quality	54%	46%
i. Shape	43%	47%
j. Availability/visibility at the stores	66%	34%
k. Repurchase	45.67%	42.67%
l. Recommend to others	47.67%	39.67%

The survey also allowed the participants to recommend any improvement they desire to have in both of the soaps through open ended questions.

Following are some common recommendations from the respondents, as answers of the question “Would you like to make any recommendation for improving any function of Savlon Active Soap?”

- Increase the popularity.
- Add more variance.
- Improve the quality.
- Improve the fragrance.
- Reduce the product price.

Elaboration:

Usage: When respondents were asked which antiseptic soap they use? 43.7% people said they use Savlon Active Soap. 46% of the total respondents said they use Dettol original and 10.3% said they use other antibacterial soaps.

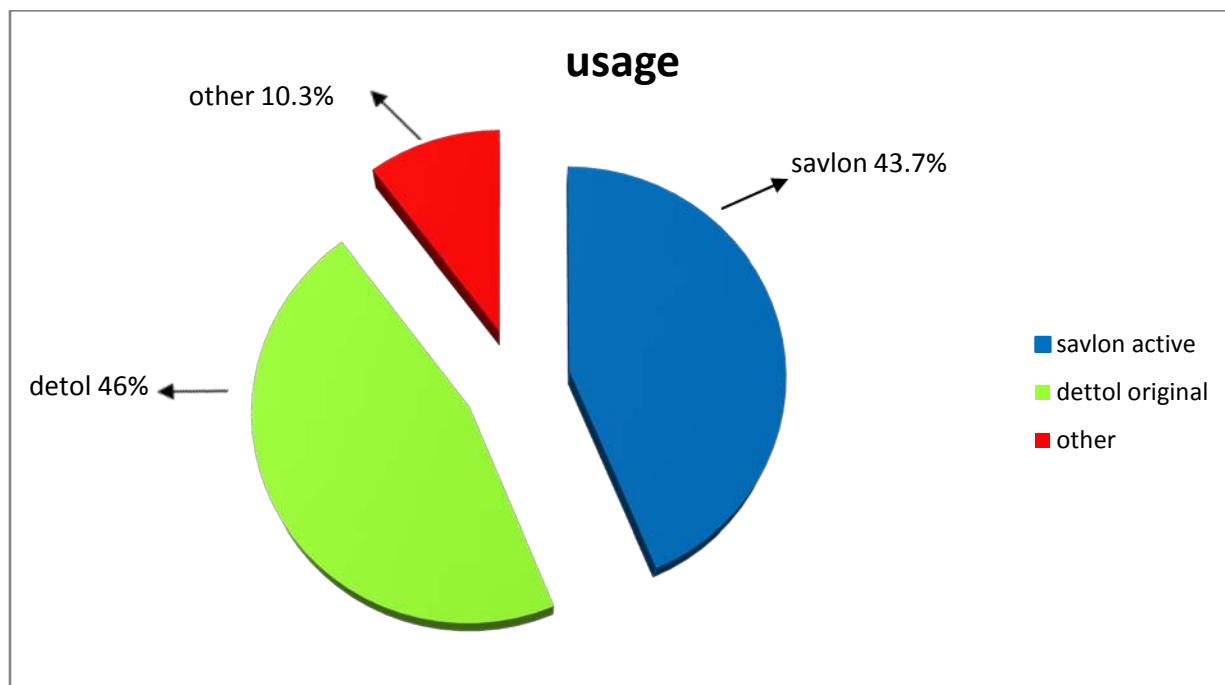


Figure: Usage of Antibacterial Soap

3.6.2.1. Freshness:

When people were asked about the freshness factor of the tow soaps the result is described by the following graph:

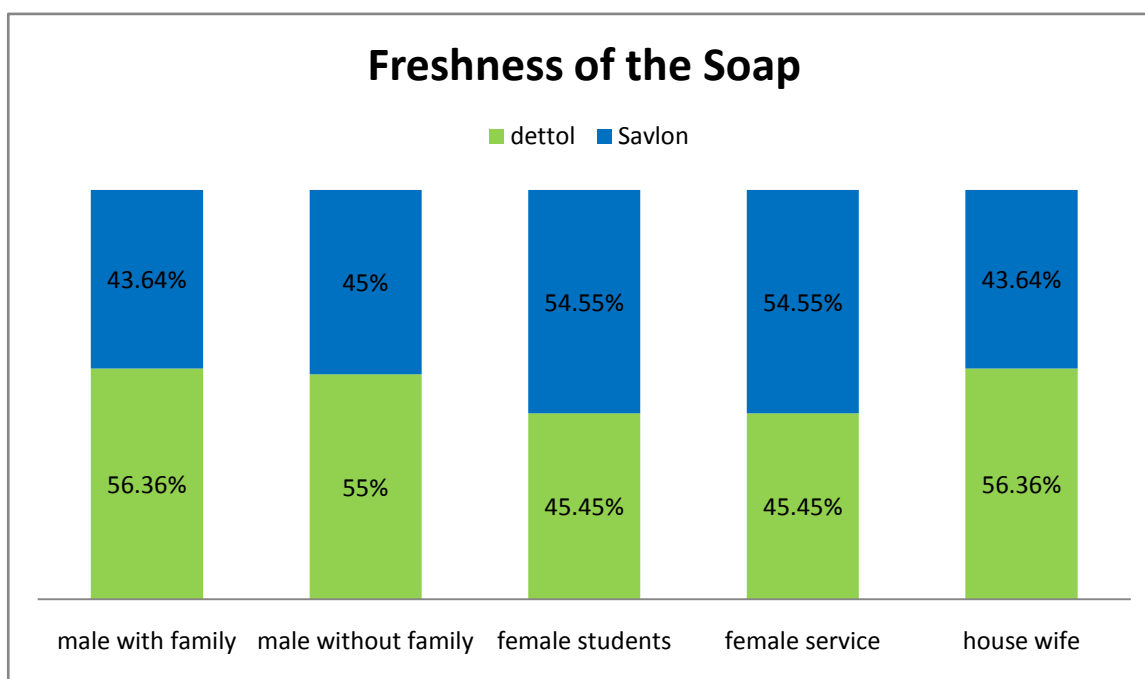


Figure: Freshness of the Soap

From the above Bar diagram we can see that, majority of the respondents (52%) prefer Dettol original soap for freshness, where 48% respondents said they prefer Savlon Active Soap for freshness. If we look at the chart, we can see that 56% male living with family prefers Dettol original, 55% of the male living without family prefers Dettol original, 54.55% of the female students prefer Savlon active, 54.55% female service holders prefer Savlon Active and 56.36% house wives prefer Dettol original for freshness.

3.6.2.2. Fragrance:

From the pie chart below we can see that 56% of the total 300 respondents prefer Savlon Active Soap's fragrance as good. That is one of the potentials of Savlon Active Soap.

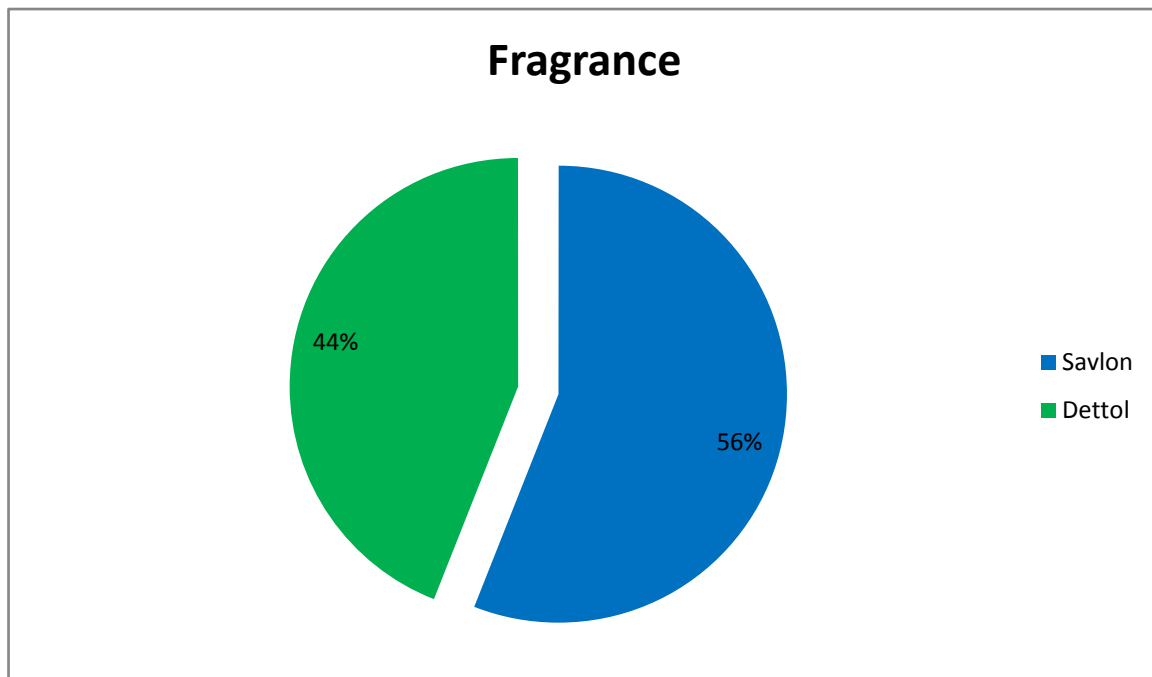


Figure: Fragrance of the Soap

3.6.2.3. Skin Care:

For skin care purpose, most of the sampling units prefer Savlon Active Soap. Total **51%** of the respondents prefer Savlon active for better for skin care.

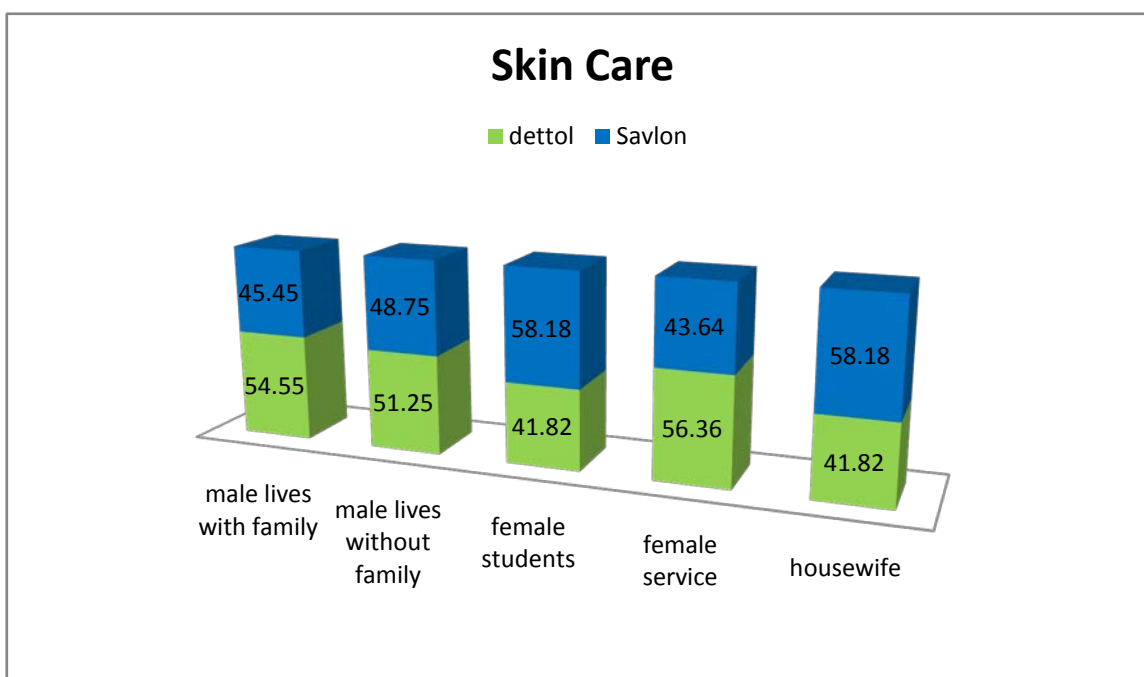


Figure: Skin Care

From the above graph we can see that 53% of total male people prefers Dettol and 47% male people thinks Savlon is better for skin care and 47% of total female respondents think Dettol is better for skin care and rest 53% thinks Savlon is better. 51% of total respondent think Savlon is better for skin care.

3.6.2.4. Hygiene:

The survey result shows us that of total 300 respondents, 40% respondents think that savlon active is much preferable for hygiene purpose. And rest 60% people prefer dettol original soap.

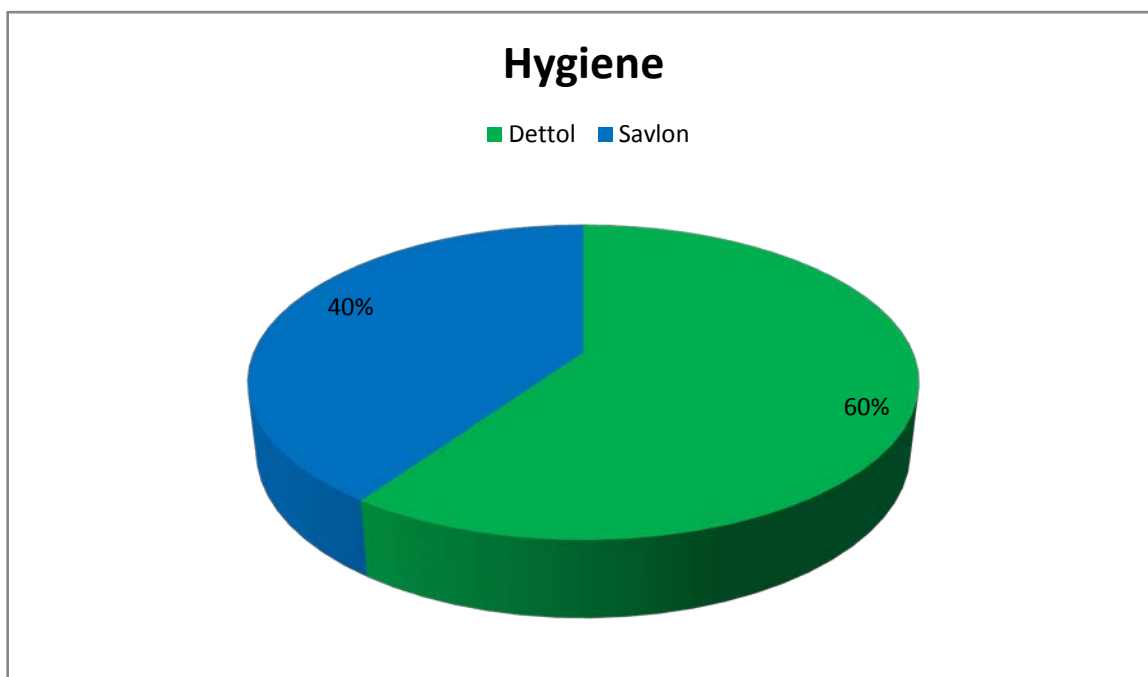


Figure: Hygiene

The above graph, the green area indicates Dettol original is preferred for hygiene by total respondents and the blue area representing Savlon active for hygiene preference.

3.6.2.5. **Product Packaging:**

From the results from the survey, it is seen that majority of the respondents prefer the packaging of dettol original soap more attractive than savlon active. Both the user and non users of Savlon Active Soap preferred dettol original packaging much attractive.



Figure: Product Packaging

From the above graph we can see that, 69% of total respondents prefer the packaging feature of Dettol original soap is much attractive than Savlon Active Soap.

3.6.2.6. Popularity of the Brand:

The survey result shows us that 70% of total respondents know the brand of Dettol original where only 30% of total respondents know about the brand popularity of Savlon Active Soap

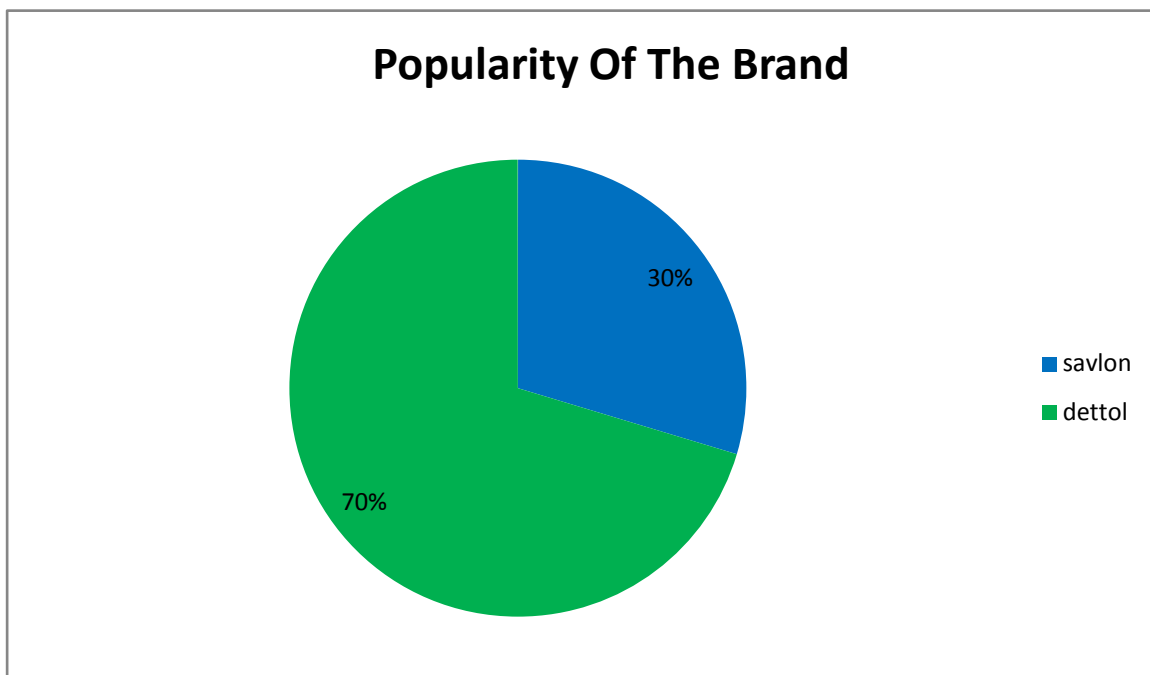


Figure:Popularity of the Brand

From the above graph, the blue area represents that the popularity of Savlon brand is much lower than the popularity of Dettol original soap.

3.6.2.7. Medical Perception:

From the results of the consumer survey, we can see that 59% of the total respondents prefer Dettol original for medically approved antiseptic soap, where 41% of the respondents trust Savlon as better antiseptic soap.

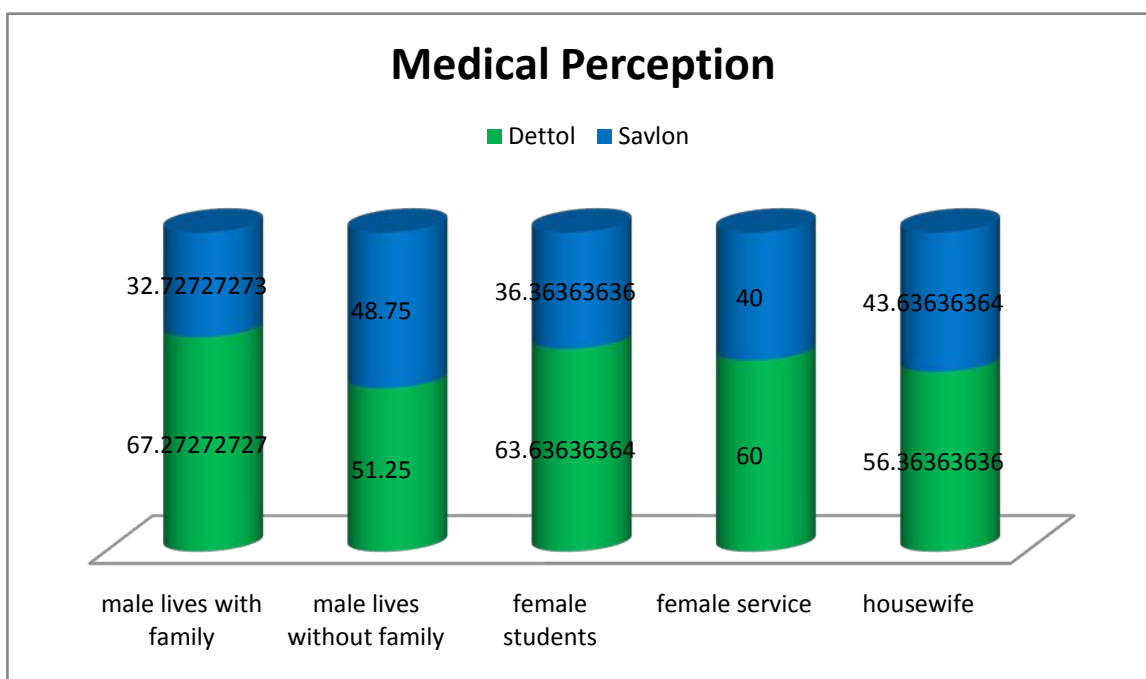


Figure: Medical Perception

From the above graph, we are showing the green area as Dettol original and the blue area representing Savlon Active Soap. The bars are representing deferent segment of sample groups. The graph shows that all the respondents from every segment prefer Dettol as a better medically approved antiseptic soap.

3.6.2.8. Product Quality:

From the results of the survey, it can be seen that 54% of total respondents prefers Dettol for better product quality and 46% of the respondents prefer Savlon Active Soap for barter product quality.

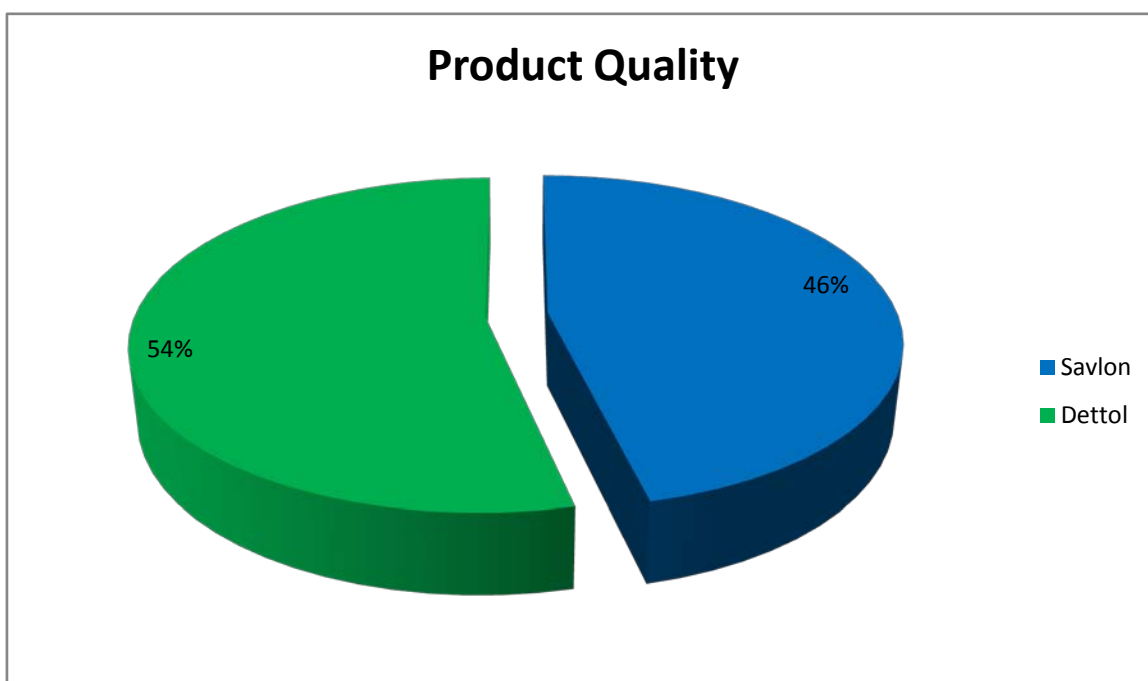


Figure:Product Quality

The blue area of the above graph represents the product quality of Savlon Active Soap according to the respondents; the green area shows the Dettol soap's product quality according to the respondents.

3.6.2.9. Shape:

according to the results of the survey 50.33% of the total respondents like the shape of Dettol original and 49.67% of total respondents like the shape of the Savlon Active Soap.

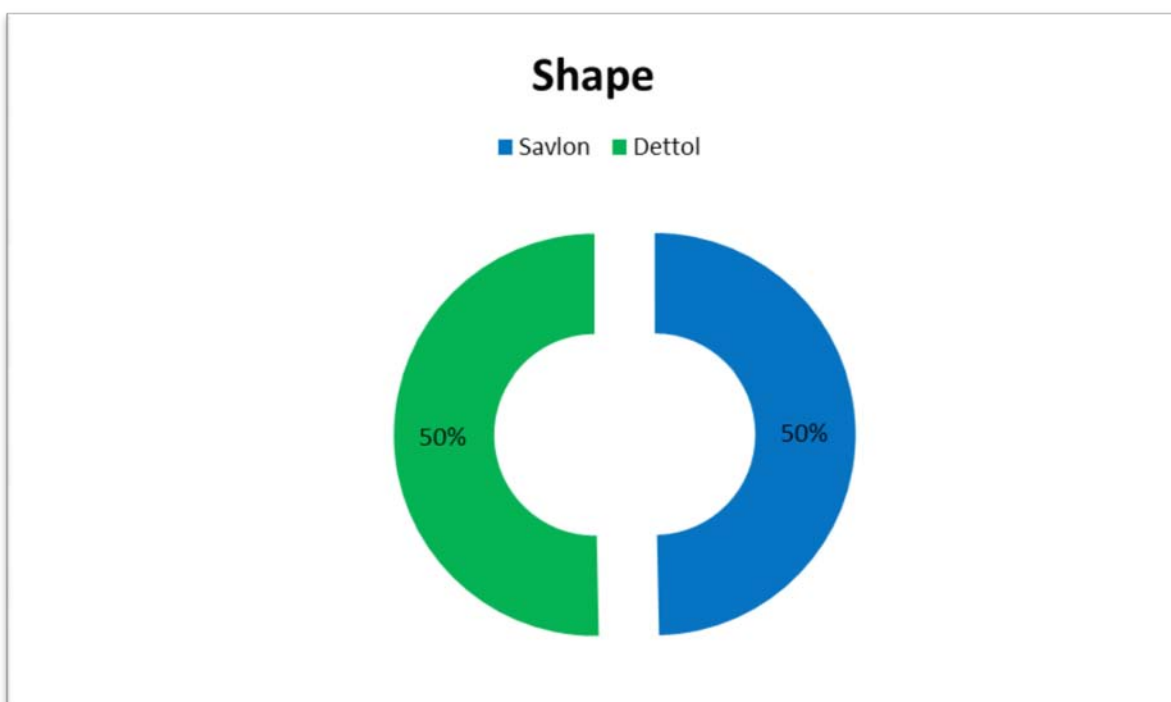


Figure: Shape

The above graph is representing the shape preference of the Dettol original soap and Savlon Active Soap. Green area represents the Dettol original and blue area represents the Savlon Active Soap shape.

3.6.2.10. Availability/Visibility at The Stores:

The survey result says that 66% of the total respondents find Dettol original soap available at stores.

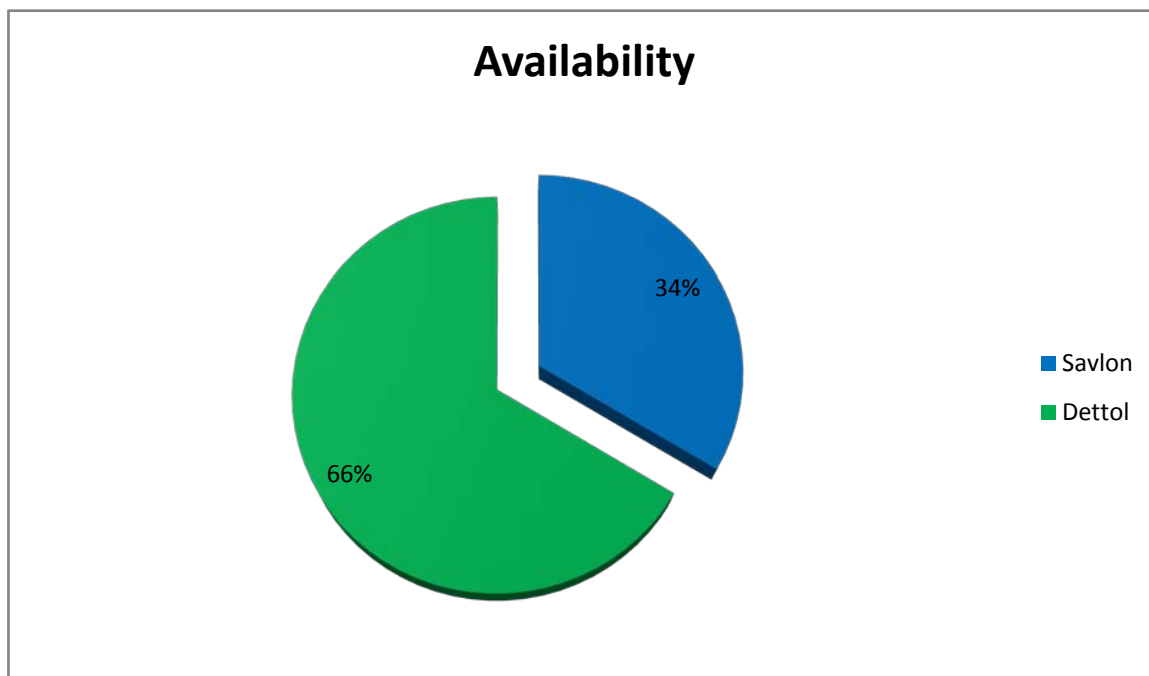


Figure: Availability/visibility at the stores

The above graph shows us the availability of the both soaps in the stores. The green area represents Dettol original and the blue are shows the Savlon Active Soap's visibility at stores.

3.6.2.11. Repurchase:

The result shows that 54% of the total respondents would like to repurchase Dettol original for their future use, 46% people will repurchase Savlon active for their regular use.

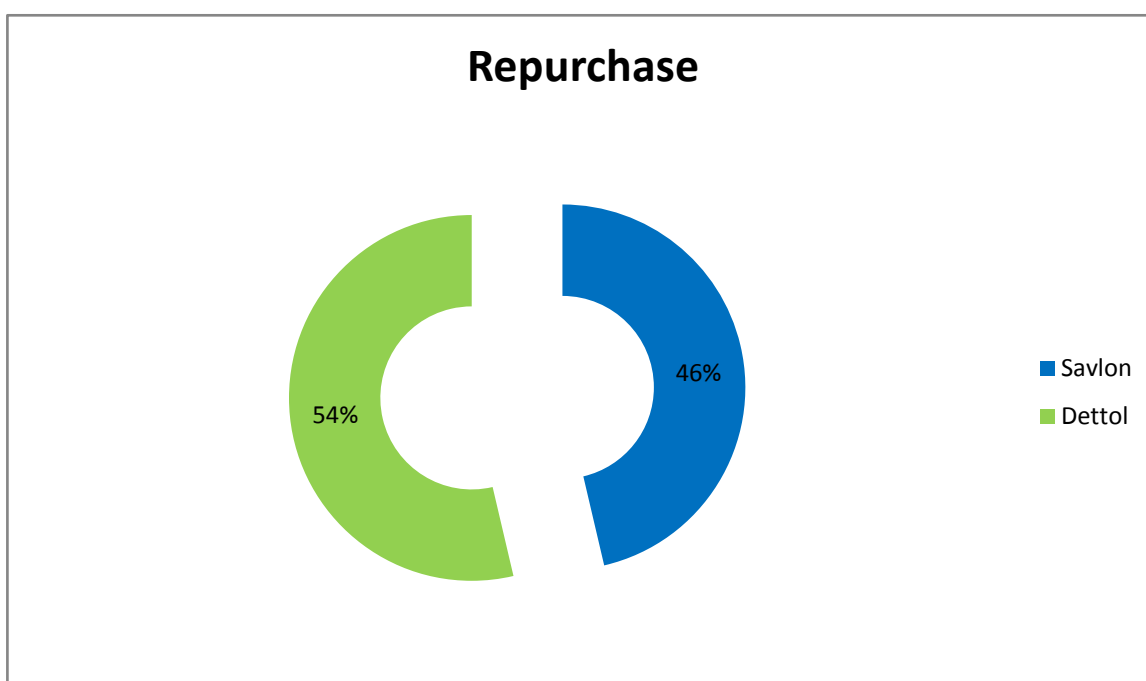


Figure: Repurchase

The graph shows that the green area represents that, the respondents will repurchase Dettol original soap in future, and 46% of the total respondents will buy Savlon Active Soap in future.

Interpretation of the Results:

After analyzing the results, it can be said that the target consumers of Savlon Active Soap are more familiar to the Dettol original as the antiseptic soap for their preference. It is mainly because of the popularity of the brand. People consider Dettol much better in hygiene, and freshness. But on the other hand they prefer the fragrance of the Savlon active more attractive. There is a huge difference in the visibility of the both soaps in the stores. People said they find Dettol more available in the stores. Dettol original is more attractive in packaging, the packet of the soap gives the consumers an idea that the soap is more medically recommended.

Threats and potentials:

Threats:

- **Product Packaging:**

The survey result shows that the product packaging of Dettol original soap is almost 35% much preferred by the respondents. Because of the color of the packet Dettol original gives a perception that it is more safe and hygienic for the users.

- **Popularity of the Brand:**

It is seen that the Dettol original soap is more popular among the consumers. Because of its communication strategy to consumers, Dettol has occupied the target market.

- **Availability/Visibility at The Stores:** Though there are enough products available in the market, people do not see the product as they are not aware of it.
- **Medical Perception:** People perceive Dettol more medically recommended and safe to use as an antibacterial soap. May be one of the reasons of this Dettol has an intensive marketing activity.

Potentials:

- **Usage:** The result of the survey shows us that, there is lots of user of antibacterial soaps in the soap market, so the market size is a great potential for Savlon Active Soap.
- **Fragrance:** As a result of the survey, it is seen that people prefer the fragrance of Savlon Active Soap more than the Dettol original soap.
- **Skin care:** People rated Savlon active more preferable than Dettol original soap.

The consumer survey conducted to see the consumer mind set for the antiseptic soap, shows us that the Savlon Active Soap is not that much popular among the consumers in Dhaka city. Although there is a high demand for the soap because of the quality and the Brand name of Savlon, but the popularity of the Dettol original soap is very much high. Because of lack of communication with the consumer, Savlon Active Soap is losing its market.

4. Recommendations:

(Re-positioning strategies)

1) **Keep the Current Marketing Strategy:** The current marketing practices by ACI for Savlon antiseptic soap is to motivate the retailers to promote their products to the end consumer. If they stick with this practice and add some new facilities for the retailers sales growth of Savlon antiseptic soap may increase.

There are both positive and negative sides of their current marketing practices:

Positive Sides of keeping the current marketing strategy:

- Soap is an impulse product. Consumers often do not ask for a specific brand while buying soap.
- Savlon is a well-known Brand for antiseptic. So the retailers can easily convince the consumers to buy the product
- The fragrance, skin care and the quality of the Savlon soap is known to the people

Limitations of the current marketing strategy:

- Savlon Soap does not communicate with their end consumers properly. People do not have proper idea about the existence of their product.
- While Savlon soap's competitors advertise their products to the end consumers and also provide desirable incentives to the retailers, there is a high demand for the competitors' product and also the retailers are more interested to sell the competitors product.

2) If Savlon Soap can **Re-Position their branding strategies**; they can conquer the market of antiseptic soap. People of the country are not properly aware about the existence of the Savlon soap bar. The marketer could make people know about their product quality through proper communication.

- 3) If Savlon Active Soap's **visibility could become more attractive to the consumers**, through special promotional activities such as :
- Point Of Purchase advertisements, point of purchase displays through attractive gondolas and also word of mouth (the seller) could introduce the product to the consumers.
 - Social awareness advertisement through distributing free samples to the diarrheaattacked children.
 - Social media ad: Facebook, twitter
 - Sponsorship for reality shows, campaigning and social work shops targeted to the parents and children.
- 4) The package should clearly communicate the name and convey the image of the brand. Packaging is an important tool because people make decisions in stores, where packaging is the key marketing communicator. The average life of a package before its next makeover is down to two years. The product packaging should be improvised and make it more attractive to the consumers. If the color of the package be more colorful, informative and attractive consumers may prefer Savlon Active Soap.
- 5) They can improve their branding strategy by Line Extension. The existing Savlon Active Soap is available in 100gm. Pack size. If ACI could introduce 1 or more SKU's to the market it could be helpful. Consumer may buy different SKU's for different uses.
- 6) Improving the distribution strategy. As Savlon Active Soap is a convenient product, and bought frequently should not only focus in the big cities and urban areas, they should also focus on the rural and semi urban areas. And by the consumers. The product should be distributed in as many stores and retail outlets as possible. For that, ACI may adapt third-party distributors for each distribution points.

Positive sides of using third-party distributor are:

- Each area distributors are well informed about the stores and consumer size. So they can properly locate them.
- Using a third-party distributor is cost effective. For interceding these transactions, third-party distributors receive a portion of the advert fees associated with joint fund sales for acquiring new business.
- Thus ACI can save the salary of the Sales representatives and other sales stuffs, warehouse costs and transportation costs.

Conclusion:

People from all social economic classes are becoming more health conscious now-a-days because of the pollutions everywhere. Thus the antibacterial soap category is being accepted generally. That is creating the perfect opportunity for brands of antiseptic soaps to enter and grab seats in the market. Savlon is a well-known brand in this antiseptic market. It is comparatively new in the market. Savlon Active Soap is losing its market sharers due to its competitor Dettol original soap's popularity.

In order to re-position the Brand in the market, must take in mind the dynamic factors that influence the locales in selecting and being loyal to a brand and use to factors to maintain proper communication to retain and grab more customers.

This research was done so that ACI Ltd. can get better insight and formulate better plans regarding Savlon Active Soap. However it must be kept in mind that due to time and resource constraint and to before mentioned limitations the data or the research might not be fully accurate. But adequate effort was provided so that maximum accuracy could be attained.

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Appendix B

Literature Review

Brand:

Brand is a necessary tool to make a product distinctive from the others, to create individuality. Branding is like giving a product an identity. Brand name provides a character to the product; it creates a perception in the consumer mind about the product features. Branding can add value to a product and is therefore an intrinsic aspect of product strategy.

Brand is a name, term, sign, symbol or design or a combination of them, which is intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors. Thus a brand identifies the maker or seller of a product.

- Why branding is important?

In this competitive world of business nothing remained un-branded. For making the products differentiated from its competitor, every product needs to have a brand name. For instances, soap is also now marketed in distinctive manufacturer's brand. The reasons behind branding are:

1. The brand name makes it easier for identification of the product both for the marketer and consumer.
2. It makes easier to process orders and track down problems.
3. The brand name and trade mark provide legal protection of unique product features which would otherwise be copied by competitors.
4. Branding gives the marketer the opportunity to attract

Brand Positioning:

Positioning is an art of creating a place in the consumer's mind. It is a process in which a brand is differentiated among several other players in the market. It is a competitive tool for a brand.

It is what comes on the consumers mind when they heard about the name. It is the key ingredient in the marketing strategy to make people know and peruse them to buy your product. There are several steps involved in positioning strategy:

- Understanding the targeted consumer
- Understanding the competition
- Analyze the gaps
- Differentiate the product
- Create effective communication strategy
- Maintain the position of the brand

Brand Re- Positioning:

Brand re-positioning is a tool used when the exiting brand fails to reach its objective or unable to communicate to its targeted consumers. Repositioning is effected usually through changing the marketing mix in response to changes in the market place, or due to a failure to reach the brand's marketing objectives. Changing the brand's status in comparison to that of the competing brands is a common way to repositioning the brand in the market.

Changing the old ways of the brands marketing and market positioning strategies to change the image, marketing strategies of a product to appeal to a wider or different audience or market to regain the consumer's preference and increase the sales volume of the product is brand repositioning.

BTL Promotion:

The terms "below the line" promotion or communications, refers to forms of non-media communication, even non-media advertising. BTL (below the line) technique involves sales personnel deployed at retail stores near targeted products. This technique may be used to generate trials of newly launched products. It helps marketers establish one-to-one relationship with consumers while mass promotions, by definition, make it difficult to gauge consumer-response, except at the time of sales. Examples include Tele-marketing, road shows, promotions, in- shop and shop-front activities, display units.

Below the line promotions are becoming increasingly important within the communications mix of many companies, not only those involved in FMCG products, but also for industrial goods. Below the line sales promotions are short-term incentives, largely aimed at customers. With the increasing pressure on the marketing team to achieve communication objectives more efficiently in a limited budget, there has been a need to find out more effective and cost efficient ways to communicate with the target markets. This has led to a shift from the regular media based advertising.

Below the line advertising seeks to reach a consumer (instead of a mass audience) directly rather than through an intermediary, such as would be the case with a commercial during a television show. This type of advertising is often centered on specific localities and is used to promote products that a consumer will want to see in person. It can be coupled with in-store sales help in order to explain the features of the product.

TFM

Total Fatty Matter (TFM) is one of the most important characteristics describing the quality of soap. It is defined as the total amount of fatty matter.

It says how much fat substance the soap has. It is also indication of the quality of the soap. The more it has better the quality of the soap. Anything above 70% is considered to be good soap.

Soap Bar:

“Soap is a surfactant used in conjunction with water for washing and cleaning that is available in solid bars and in the form of a viscous liquid”

Chemically, soap is a salt of a fatty acid. Traditionally, soap is made as the result of a reaction between fat and lye (sodium hydroxide), potash (potassium hydroxide), and soda ash (sodium carbonate), which are all alkalis historically leached from hardwood ashes. The chemical reaction that yields soap is known as saponification. The fats and the bases are hydrolyzed by water; the free glycerol heads bond with the free hydroxyl groups to form glycerin and the free sodium molecules bond with the fatty acid tails to form soap.

Bar soap means the soap which is in solid form

Health Soap:

Health soaps are divided into health care and health freshness category. Under health care the marketer can produce dermaprotection soap and natural care soap. Again, under health freshness the marketer can produce anti-bacterial soap and active-balance soap. In health soap market, there is nothing more which can differentiate uniquely or where more value can be added to soap.

Beauty Soap:

Beauty care soaps are communicating only to enhance beauty. It can be luxury soap, traditional soap, moisturizing soap etc. Though it is a very short arena for business but in reality most of the companies are doing business utilizing this field. Here, many variables can be added to a soap and can differentiate its position in a unique area.

Appendix A
Consumer survey questionnaire

Please take a moment to participate in this survey. We are carrying out this survey as a part of our course. Every response will help us to understand the following issues regarding the comparison between Savlon active soap and Dettol original soap. All your information will be considered as confidential. Thank you.

Name:	Age:	Occupation:
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Gender: Male / Female

[Except q. 4 & 5 put a (✓) mark on your answer]

1. Do you use any antiseptic soap at your home?
 - a. Yes
 - b. No
2. Which antiseptic soap bar you likely to use?
 - a. Savlon Active
 - b. Dettol original
 - c. Others
3. For the given features which soap would you prefer? Savlon Active Soap or Dettol Original Soap?
Put a (✓) mark.

Features	Dettol	Savlon
a. Freshness		
b. Fragrance		
c. Skin care		
d. Hygiene		
e. Product packaging		
f. Popularity of the brand		
g. Medical perception		
h. Product quality		
i. Shape		
j. Availability/visibility at the stores		
k. Repurchase		
l. Recommend to others		

4. Would you like to make any recommendation for improving any function of Dettol original soap?

-
5. Would you like to make any recommendation for improving any function of Savlon Active Soap?